

November 17, 2008

Ms. Heather Anderson, Esq. State Regulation of Public Utilities Review Committee Post Office Box 142 Columbia, SC 29202

Re: Response to the Committee's Request for Comments on Energy & Energy Policy

Dear Ms. Anderson:

The John Bachman Group\* of the South Carolina Chapter of the Sierra Club is opposed to the construction of the two new nuclear power plants at the VC Summer site in Fairfield County as proposed by SCE&G and Santee Cooper.

The reasons that we oppose the construction of the two new nuclear power plants are many and varied. They are articulated as in the "Whereas section of the attached resolution officially adopted by the Executive Committee on October 22, 2008.

One of the most important reasons why the John Bachman Group opposes the construction of the two new nuclear power plants is that the citizens of South Carolina and the ratepayers of both SCE&G and Santee Cooper will be much better served if the utilities were to make significant investments in energy efficiency and in renewable energy alternatives.

Our justification for taking this position is thoroughly documented in the *Nuclear Illusion*, a recent paper co-authored by Amory Lovins, a world-renowned expert on energy, and Imran Sheikh. A copy of this paper is attached.

Thank you for this opportunity to comment and to later present oral testimony.

Sincerely,

John Hartz, Chair John Bachman Group South Carolina Chapter of the Sierra Club

P. O. Box 2388 Columbia, SC 29202

<sup>\*</sup>The John Bachman Group has over 1,000 members residing in 14 counties: Aiken, Allendale, Bamberg, Barnwell, Calhoun, Edgefield, Fairfield, Kershaw, Lexington, McCormick, Newberry, Orangeburg, Richland, and Saluda.

## **A RESOLUTION**

## Opposing the Construction of New Nuclear Power Plants

## PRESENTED BY

## The John Bachman Group of the South Carolina Chapter of the Sierra Club

WHEREAS the Sierra Club opposes the construction of new nuclear power plants; and,

WHEREAS South Carolina Electric & Gas (SCE&G) in partnership with Santee Cooper has applied to federal and state regulatory agencies for authority to construct and finance two nuclear generating units for service in 2016 and 2019, respectively at its existing V C Summer Nuclear Station in Fairfield County; and,

WHEREAS SCE&G, in its initial application to the South Carolina Public Service Commission (SCPSC), estimated the costs of constructing the two new nuclear units to be \$9.8 billion; and,

**WHEREAS** SCE&G plans to construct a Westinghouse AP 1000 nuclear reactor that has never been built; and,

**WHEREAS** Westinghouse has not finalized the design of the AP 1000 reactor, nor has the federal Nuclear Regulatory Commission approved of the AP 1000's design; and,

WHEREAS history has shown that the costs of constructing new nuclear power plants escalate dramatically during the construction period, and,

**WHEREAS** history has shown that the construction of new nuclear power plants take considerably more time than originally projected; and,

**THEREFORE** it is very likely that the construction of the two new power pants will greatly exceed \$9.8 billion and that, if built, they will come on line considerably later than 2016 and 2019 respectively; and,

WHEREAS much of the construction costs of the two new nuclear power plants will be paid up front by rate payers under the provisions of a new state law, the Base Load Utility Act, which shifts risk of construction to rate payers with no guarantees regarding the ultimate costs of constructing the new facilities and the price of electricity delivered once the new facilities come on line; and,

**FURTHERMORE**, under the Base Load Utility Act, the ratepayers would be responsible for the construction costs incurred if SCE&G were to decide to halt construction of the new facilities prior to completion of the projects; and,

WHEREAS properly designed and aggressively implemented energy efficiency programs could significantly reduce existing and projected demands for electricity within the SCE&G and Santee Cooper service areas; and,

WHEREAS neither SCE&G nor Santee Cooper have yet to implement significant energy efficiency programs and make major investments in renewable energy such as solar and wind; and,

**WHEREAS** the rapid and extensive deployment of renewable technologies could provide much of the electricity needed for the consumer base; and,

**WHEREAS** nuclear electricity is one of the most expensive ways to generate electricity, more expensive than energy efficiency programs and renewable energy such as solar and wind; and,

**WHEREAS** the ratepayers and taxpayers are now being asked to underwrite massive federal subsidies and loan guarantees as a way to start up this industry, at a time when investing public money in risky businesses is being criticized and curtailed; and,

**WHEREAS** the issue of the final disposition of nuclear waste has never been resolved, and the reprocessing of spent fuel is a dirty, dangerous and costly option; and,

**WHEREAS** nuclear power plants use large amounts of water and the two new nuclear power plants proposed by SC&G at V C Summer will draw from the Broad River basin, source of drinking water for the City of Columbia, and,

WHEREAS the nuclear fuel cycle involves the mining of uranium, an activity that has polluted large areas of Native American lands in the SW United States; and,

WHEREAS the entire nuclear fuel cycle with its many stages is a large producer of CO2 emissions; and,

**WHEREAS** nuclear plants take 10-15 years to build and come on line, and therefore will provide no relief from the immediate climate change crisis;

**NOW, THEREFORE, BE IT RESOLVED THAT** the John Bachman Group of the South Carolina Chapter of the Sierra Club will oppose the funding, licensing, and building of the new nuclear facilities at V C Summer site; and,

**BE IT FURTHER RESOLVED THAT** the John Bachman Group of the South Carolina Chapter of the Sierra Club will support other organizations and individuals engaged in challenging the proposed facilities; and will collaborate with them to educate the general public, ratepayers, and elected officials about the negative consequences of moving forward with the construction of new nuclear power plants; and

**BE IT FURTHER RESOLVED THAT** the John Bachman Group of the South Carolina Chapter of the Sierra Club will work with other organizations and individuals engaged in educating the general public, ratepayers, and elected officials about the positive consequences of immediately creating and implementing comprehensive energy efficiency programs and the rapid evaluation and deployment of renewable energy; and

BE IT FINALLY RESOLVED that this RESOLUTION shall take effect on this

the 20<sup>th</sup> Day of October, 2008

**SIGNED** 

John Hartz

Chair, John Bachman Group, South Carolina Chapter of the Sierra Club